

PSJ4 SOL Opp App A Exh 20



Business Requirements

Program Name:	Retail Applications: Inventory Systems Development – Store Ordering	Program Manager:	Stephen Bamberg
Project Name:	DEA Suspicious Ordering – Phase 5.	Project Manager:	Manmeet Kaur
Project Number:	INVSO-54	Account Unit:	433400
Sponsor:	Pharmacy Services	Business Owner:	Barb Martin/ John Merritello/ Kristie Provost

Document Version Control

Date	Version #	Describe Revision(s)	Author(s)
08/02/2012	1.0	Initial Draft	Manmeet Kaur
10/02/2012	1.1	Updated Document	Manmeet Kaur

Document Overview

This documents the business requirements that the proposed solution will satisfy. Additional requirement documents have been created for different program phases. Other requirement documents such as functional, technical and system requirements will also be created based on the business requirements.

Business Objectives:

The Controlled Substances Act is the primary federal law regulating the flow of controlled substances into the marketplace for medical purposes. Among other requirements, the act requires that distributors register with the Drug Enforcement Agency (DEA) to sell controlled substances to retail pharmacies and report to the DEA suspicious orders.

The purpose of this project is to create a process to systematically identify and prevent suspicious orders based on formulas used to determine suspicious ordering patterns for controlled substances. These formulas will calculate both a Tolerance Level (previously built and deployed in Phase 4) and Ceiling (developed in this Phase 5). An order will be analyzed to determine if it exceeds either limit and any order that exceeds either limit will be flagged as suspicious. Any controlled substance orders that are deemed suspicious will be:

- a) Flagged and populated in a file to be sent up centrally to the corporate office for review and analysis; and
- b) Intercepted at the time of release (either to a warehouse or directly to a 3rd party vendor) and reduced to a non-suspicious level.

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This method will prevent stores from receiving abnormally large quantities of controlled substances.

In Scope

The following business requirements are in scope for this Phase 5.

- 1) The following types of orders will go through Ceiling validation
 - a) Replenishment
 - b) Direct Vendor
 - c) PDQ
- 2) The Ceiling will be applied to an order at the time order is released to Warehouse or Vendor.
- 3) Available Receipts will be calculated as follows:
 - a) Available Receipts = Ceiling – (Total Receipts + Open Order Quantity)
 - b) Open Order Quantities with an estimated delivery date in the range of +/- 7 Days from job date will counted.
 - c) To prevent Order Quantities from exceeding the Ceiling, Order Quantities will be rounded down to the next smallest purchase multiple/package size.
- 4) Parameters set on Java screens by corporate users
 - a) Number of weeks for which receipts are accumulated prior to comparing to the Ceiling
 - b) Ceiling Threshold – this is the percentage of the Ceiling for a store/item combination, below which information for that store/item will *not* be sent to the corporate office for analysis and review. For example, if the Ceiling Threshold is 50% and item 1234 at store #5678 has reached 40% of the Ceiling, information for item 1234 will not be sent to corporate from store #5678.
 - c) These two parameters will have the same value for all stores across chain.
- 5) The Order Frequency calculation will no longer be used to flag items.
- 6) The amount of sales history used in the Tolerance calculation will be reduced from 52 weeks to 26 weeks.
- 7) By default all stores will initially be turned 'ON' for these calculations. However, an individual store can be turned 'OFF' with the following system implication:
 - a) Orders exceeding Tolerance or Ceiling values will *not* be cut; and
 - b) Information from the store will *not* be sent to the corporate office for review and analysis.

Once a store has been turned 'off' for 15 days, the system will automatically turn the store back 'ON' unless there is a user override. Note that this flag to turn any store OFF or ON does not have any audit log, but there is an email log maintained by Barb Martin for reference.
- 8) List of different Reason Codes that apply to flagged Orders:
 - C – Items reduced by Ceiling only
 - V – Items tracked by Ceiling – Orders not reduced
 - T – Items reduced by Tolerance only
 - D – Items reduced by Tolerance and Ceiling.
 - X – Items reduced by Tolerance and tracked by Ceiling.
 - I – Items for which Inventory adjustments occurred but Orders were not reduced
 - F and B – these reason codes associated with Frequency will no longer be used.

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Out-of-Scope & Exclusions:

1. The following Orders will be considered in accumulating the receipts, but their order quantity will not be reduced by Ceiling. These orders could therefore result in store receipts temporarily exceeding the Ceiling.
 - Promotional Orders (Consolidated Promo Order, OAN DIRECT, OAN WAREHOUSE)
 - AUTHORIZED DISTRIBUTION
 - GROUP ORDER
 - 340B Orders
 - Local Event Orders (Order Type = 'E')
 - Orders placed outside the system, e.g. phone orders
 - CPO Orders.
 - Inter-store transfers
2. Mail Location will not be included in this project scope.

On-Hold:

1. Stores will not be allowed to change order schedule for President Plaza and DC.



Revisit after this implementation:

1. Claims will not be used to adjust the Available Receipts. This is a conservative approach such that even if a store claims a certain amount of drugs, such a claim will not increase their ability to receive additional quantities of the item. In a subsequent phase claims could be introduced in the formula for calculating Available Receipts
2. In Phase 3, a change was made to track Manual Vendor Orders created within 24 hours of a warehouse order having been reduced. In Phase 4 a change was made to reduce such Manual Vendor Orders to Tolerance. This Phase 3 change will be revisited to understand if there is value in tracking these Manual Vendor Orders relative to the additional complexity that this may cause.

Requirements for Future Phases:

1. Currently only the User Stamp for the Last User who made change to any line on an order gets updated – this update changes all of order lines instead of changing only the line(s) which were modified by the user. This will be corrected to update User information on all order lines with correct User Stamps.
2. Currently User Stamp and Date Information is tracked only upon a normal exit from screen. If the order screen is closed without proper exit or screen is timed-out, User Stamp and Date information is lost. This will be changed to track User Stamp and Date Information at the time the quantity is updated, rather than at exit of screen.
3. Process will be built to calculate the total number of Controlled and PSE items vs. nbr of items reduced by Tolerance or Ceiling. This process will collect daily data across the chain on Central AS/400 machine. Data collected thru this process could only be viewed thru queries. There will not be any screens to display the data.

Data will look like –

Location type
Location Number
Order Release date
Total C2 Items on Order
Total C3 Items on Order
Total C4 Items on Order
Total C5 Items on Order
Total PSE Items on Order
Total C2 Order Reduced by Ceiling or Tolerance
Total C3 Order Reduced by Ceiling or Tolerance
Total C4 Order Reduced by Ceiling or Tolerance
Total C5 Order Reduced by Ceiling or Tolerance
Total PSE Order Reduced by Ceiling or Tolerance

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4. Following changes will be discussed in future phases –

- PLN Changes
- New Stores
- New Items (Items, new to store or existing items, new to Ceiling table)
- Brand to Generic Conversion

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DEA Suspicious Ordering Phase 5

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Business Requirements

BR ID #	Description	Priority	Category
BR 1.0 & BR 2.0	Ceiling will be applied to Order quantity at the time order is released to Warehouse or Vendor. Following Orders will go thru DEA Ceiling Validation. <ul style="list-style-type: none"> • Replenishment • Direct Vendor • PDQ 	High	
BR 3.0	<ul style="list-style-type: none"> • Available Receipts = Ceiling – (Total Receipts + Open Order Qty) • Open Order Qty with Est. Delivery Date in Range of +/- 7 Days from job date will be considered in calculation of Available Receipts. • Order Qty will be round down to Purchase Multiple/Package size, if Order Qty goes above the Ceiling value. 	Medium	
BR 4.0	<p>Receipts will be accumulated based on value of 'Nbr of Weeks of Receipt Accumulation'.</p> <p>Ceiling Threshold – This is the percentage of the Ceiling for a store/item combination, below which information for that store/item will *not* be sent to the corporate office for analysis and review.</p> <p>These values will be consistent for all stores across chain.</p>	Medium	
BR 5.0	Order Frequency will no longer be used to flag the items.	Low	
BR 6.0	The amount of sales history used in the Tolerance calculation will be reduced from 52 weeks to 26 weeks.	Medium	
BR 7.0	<p>When an individual store is turned OFF the store system will stop sending the data to Central Store repository. When the store is turned ON, no later than 15 days after having been turned 'OFF', the system will start sending the data again to central box.</p> <ul style="list-style-type: none"> • This flag to turn OFF or ON the store does not have any audit log. Barb maintains email for reference. 	Medium	

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BR ID #	Description	Priority	Category
BR 8.0	<p>Various Reason Codes will be applied, when Order Quantity is reduced/tracked by Ceiling/Tolerance or any Inventory Adjustment–</p> <ul style="list-style-type: none"> • C – Items reduced by Ceiling. • V – Items tracked by Ceiling. • T – Items reduced by Tolerance. • D – Items reduced by Tolerance and Ceiling. • X – Items reduced by Tolerance and tracked by Ceiling. • I – Items for which Inventory adjustment was made. • F and B – these reason codes associated with Frequency will no longer be used. 	High	

Assumptions and Dependencies

Requirement Assumptions

ID	Related BR ID#	Assumption Description

Requirement Constraints

ID	Related BR ID#	Constraint Description
N/A		

Requirement Dependencies

ID	Related BR ID#	Dependency Description
RD 1.0	BR 3.0	Receipt accumulation and Receipt data sent back to Central Store is based on values of 'Nbr of weeks for receipts accumulation' and 'Ceiling Threshold'. These values will set on Java screens and received from Central Box thru transmission process.

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Training and User Documentation Requirements

Not Required

Business Requirements Approval

The signature below indicates the individual has reviewed and approves all of the detailed business requirements with the exception of those listed in the Business Requirements Exceptions section.

Approved By	Title	Business Unit	Date
John Merritello	Manager, Rx Inventory Control	Pharmacy Purchasing and Supply Chain	
Barb Martin	Manager, Pharmacy Inventory Drugstores	Pharmacy Purchasing and Supply Chain	
Kristie Provost	Director	Loss Prevention Department: Systems, Planning, and Analytics	

Business Requirements Exceptions

BR ID #	Reason For Not Approving	Rejected By
NA		

Additional Comments

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DEA Suspicious Ordering Phase 5

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